

**Planning to Meet Local Housing Needs: The Role of HUD's Consolidated
Planning Requirements in the 1990s**
Summary of Recommendations

This report makes four key recommendations for improving the Consolidated Plan process. The recommendations relate to timeliness of data, the comprehensive nature of the plan, PHA participation, and activity reports.

Overall, therefore, jurisdictions are successfully implementing the ConPlan requirements, and the process is generally having a positive impact on local housing plans and activities. But HUD could strengthen and clarify the process and provide better support to jurisdictions to make the local ConPlans more meaningful and effective. Specifically, the ConPlan process could be strengthened in four ways:

1. Address the problem of outdated census information. Although HUD allows jurisdictions to supplement the census data, most felt that they lacked the necessary time and expertise. HUD could consider providing an updated version of the special census tabulations, a suggested strategy for producing updated estimates, or even a list of possible sources of information for developing more current estimates. If the Census Bureau implements the new American Communities Survey, which will provide intercensal estimates of population and housing trends, HUD should provide guidance to jurisdictions on how to use these new data to update their needs analyses. Alternatively, HUD might consider requiring only one full-blown needs analysis per decade, prepared when decennial census data become available, and amended only if the jurisdiction has data on some significant new development in housing needs or market conditions.

2. Provide explicit guidance that priorities and strategies should reflect all federal, state and local resources, and encourage jurisdictions to develop their priorities for the HUD block grant funds as a part of these larger strategies. A major source of tension and ambiguity in the current process is the lack of clarity over whether jurisdictions are supposed to set priorities and define a strategy to address their housing problems overall, or whether the ConPlan simply presents priorities and strategy for the use of HUD block grants. The difference between the two is significant in big cities and states, which tend to have diverse housing resources. The ConPlan should more clearly require priorities and strategies at both these levels, but should also require jurisdictions to be explicit about what they intend to do with their block grant funds in the context of their larger strategy. This would enable localities to acknowledge, for example, that very low-income renters have the highest incidence of severe problems, but to indicate that they plan to use public housing and vouchers to address this need, while allocating HOME dollars to single-family rehab in order to stabilize neighborhoods and strengthen the tax base. Localities should also be encouraged to be explicit about the ways in which different subsidies may have to be combined, especially to make housing affordable for the poorest households.

3. Require PHAs to actively participate in the local planning process. Although the

ConPlan is required to incorporate the PHA Plan, HUD has not yet created sufficiently strong incentives for both the ConPlan agency and the PHA to meaningfully coordinate their planning and implementation activities. Effective communication and coordination between PHAs and other local housing agencies is becoming increasingly important, as public housing developments are transformed to serve a more mixed-income clientele, as housing vouchers replace “hard” units that were previously earmarked for occupancy by extremely low-income renters, and as resources from multiple programs are combined to meet the housing needs of different target populations. This cannot realistically happen unless HUD requires PHAs to actively participate in the ConPlan process, rather than simply transmitting a PHA Plan to be “stapled in” to the local ConPlan. Possibilities include requiring PHAs to consult with their jurisdictions in the development of the PHA Plan, and to have the local elected body adopt the PHA Plan (not just a consistency determination).

4. Design activity reports that align with priorities and strategies. HUD’s requirements for annual performance reporting under the ConPlan (the CAPER) should more explicitly differentiate reports to HUD on how block grant dollars were spent, from reports back to the community on both block grant activities and other activities undertaken as part of the local housing strategy. The current CAPER instructions call for such a report to the community, the cornerstone of which is the self-assessment narrative. However, localities have not yet received sufficient guidance from HUD to produce meaningful self-assessments. The report to the community should be readable and understandable; it should explicitly relate activities and accomplishments to the priorities and strategy from the plan; and it should include data showing how block grant dollars were allocated and how other federal, state, and local resources were used to advance the strategy as a whole. To make this kind of report possible, HUD would have to provide jurisdictions with up-to-date information about all the federal housing resources flowing into the community, including vouchers, public housing funding, HOPEVI grants, and Low Income Housing Tax Credits. Currently, many jurisdictions have difficulty assembling a complete profile of their federal housing resources.

These recommendations do not necessarily require formal regulatory changes. Instead, they could be implemented through a combination of clear instructions and consistent guidance, provided with ample advance notice. In fact, most of the jurisdictions we visited would welcome more extensive guidance from HUD, including guidance about how to make materials more understandable and meaningful for members of the community.